

Kohal owner attributes FBI visits to Medicaid volume

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KELLOGG -- Kohal Pharmacy & Medical Supply in Kellogg and Pinehurst received a surprise visit from the FBI Tuesday night.

Alan D. Kohal, pharmacist and owner of both stores, was called into his Kellogg pharmacy around 5 p.m. Wednesday and was served with a search warrant. Kohal said he was at his house shoveling snow and putting up Christmas lights when he got the call.

"I'm assuming it's just a routine audit," he said, "and hopefully nothing comes of it."

A representative of the FBI office in Coeur d'Alene said he wasn't able to comment and said that the Department of Health and Human Services, Office of Attorney General in Boise is the lead agency in the investigation. The Boise department had not returned calls as of press time.

Kohal said he thinks FBI was involved due to the fact that Idaho Medicaid is a large percentage of the state budget and his pharmacies have a high volume of Medicaid patients.

According to the Medicaid home page, the Medicaid program "became law in 1965 as a jointly funded cooperative venture between the federal and state governments to assist states in the provision of adequate medical care to eligible needy persons. Medicaid is the largest program providing medical and health-related services to America's poorest people.

"The federal statute identifies over 25 different eligibility categories for which federal funds are available. These statutory categories can be classified in to five broad coverage groups: children, pregnant women; adults in families with dependent children; individuals with disabilities; and individuals 65 or over."

"The gal looked at (the files) and was surprised at how many Medicaid people we have. "I think we're one of the highest in the state," Kohal said of the amount of Medicaid patients in Shoshone County.

Six to eight officials went through files and records at both locations, beginning at 5 p.m. and leaving the Kellogg pharmacy around 3 a.m. Wednesday, according to Kohal, who said he stayed until agents left the Kellogg pharmacy and other employees were at both locations until around 9 p.m. He said both offices were cooperative and provided access for FBI to confiscate hard drive files from computers and other information in the pharmacies.

"They are considerate and try to stay out of the busy time and I appreciate that," he said.

"They were doing their job.

"There was no real animosity, it wasn't anything like that. Overall I think we did all right. A few things could've been better.

"They were mainly dealing with Medicaid patients, I think. I could be wrong."

Kohal said that there was a box in the back of the Kellogg pharmacy filled with outdated drugs and covered with papers that should have been sent off already along with a few bottles of outdated drugs which still sat on the shelves at the time of inspection.

"But when you're real busy," he said, "you don't have a chance to get to everything."

Kohal said he wasn't sure exactly what they were looking for, but commented that Medicaid records is the largest possibility and a lot of those patients are at nursing homes. Because of that, he added, they're sending out large check amounts to pharmacies, which might be a red flag. He said it's the FBI's job to go through files and make sure everything is right.

"As far as I know, nothing's wrong," he said. "But if we don't have mistakes, I'd be surprised. Everyone's human."

The Kellogg Kohal Pharmacy, located at 740 McKinley Ave., has been open for a little over 10 years and the Pinehurst pharmacy, located at 504 N. Division, just over 12 years. Kohal emphasized the connection between his local business and Medicaid patients.

"Everyone has misfortunes in life," he said, "and my thing is [that] you treat them decent. Whatever walk of life they have, you try to make it better."

Kohal said he couldn't think of any other reason for the visit "unless there's someone disgruntled and complained."

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